

**OFFICE OF CITY CONTROLLER**

**CITY OF HOUSTON**  
**INTER OFFICE CORRESPONDENCE**

**To** Mayor Bill White  
City Council Members

**From** Annise D. Parker  
City Controller

**Date** April 30, 2004

**Subject** **March 2004 Financial Report**

Attached is the Monthly Financial and Operations Report for the period ending March 31, 2004.

**GENERAL FUND**

The projected General Fund budget deficit is \$93 thousand, down by \$5.9 million from last month. This is mainly due to increases in our property and sales tax estimates, offset by decreases in our estimates for interest and franchise revenues. The changes in our revenue projection include:

- The property tax projection is \$658 million, or \$1 million more than last month. Our projection is based on less than anticipated payments to the Tax Increment Reinvestment Zones.
- The sales tax revenue projection is \$342 million, or \$6.4 million more than last month. Our projection is based on year-to-date receipts, which included a February receipt from the State that was 24% higher than the same period last year. For the remainder of FY 04 we are predicting a 4% increase over FY 03 sales tax revenues.
- Our projections for gas and other franchise revenues went down by \$1.2 million from last month due to lower than anticipated receipts.
- The interest revenue projection is \$4.5 million, or a decrease of \$1.5 million. Our projection is based on this year's lower than usual interest rates.
- Projected increases in miscellaneous other revenues and decreases in direct interfund services provided a net increase of \$100 thousand. These changes were based on new year-to-date collection information.

**ENTERPRISE FUNDS**

Aviation reflects a net decrease in operating income of \$344,000. This is due to a decrease in projected landing area fees of \$967,000 and an increase in projected building and ground area rental fees of \$623,000.

Water and Sewer reflects an increase in water sales of \$1 million due to higher than expected water usage.

Mayor Bill White  
City Council Members  
March 2004 Monthly Financial and Operations Report

**HIGHLIGHTS OF THE BOND STATUS REPORT**


<b>COMMERCIAL PAPER</b>	<b>Drawdowns FY04</b> (in millions)	<b>Drawdowns in Mar.</b> (in millions)	<b>Increased Authorization/ (Refunded)</b> (in millions)	<b>Amount Available to be Drawn</b> (in millions)	<b>Amount Outstanding</b> (in millions)
<b>General Obligation</b>					
<i>(Series A &amp; B)</i>					
<i>Public Improvement Bonds</i>	\$ 44.50	\$ 5.50	\$ (69.00)	\$ 62.50	\$ 315.80
<i>(Series C)</i>	\$ 2.40	\$ 0.00	\$ (45.90)	\$ 0.00	\$ 0.00
<i>Equipment</i>	\$ 3.10	\$ 0.00	\$ (19.10)	\$ 0.00	\$ 0.00
<i>Storm &amp; Overlay</i>					
<i>(Series D)</i>	\$ 57.00	\$ 30.00	\$ 110.00	\$ 205.00	\$ 70.00
<i>(Series E)</i>					
<i>Downtown Streetscape</i>	\$ (0.10)	\$ 0.00	\$ 0.00	\$ 0.10	\$ 5.40
<i>Equipment</i>	\$ 17.10	\$ (1.00)	\$ 9.50	\$ 61.90	\$ 17.10
<i>Metro Street Projects</i>	\$ 5.00	\$ 5.00	\$ 63.00	\$ 58.00	\$ 5.00
<i>Cotswald Project</i>	\$ 1.00	\$ 1.00	\$ 7.50	\$ 6.50	\$ 1.00
<b>Water and Sewer</b>	\$ 230.00	\$ 40.00	\$ 0.00	\$ 254.75	\$ 645.25
<i>(Series A &amp; B)</i>					
<b>Aviation</b>	\$ 0.00	\$ 0.00	\$ 0.00	\$ 300.00	\$ 0.00
<i>(Series A,B, &amp; C)</i>					
<b>Convention &amp; Entertainment</b>	\$ 0.00	\$ 0.00	\$ 0.00	\$ 52.50	\$ 22.50
<i>(Series A)</i>					

The City's practice has been to maintain no more than 20% of the total outstanding debt for each type of debt in a variable rate structure.

As of March 31, 2004, the ratio for each type of outstanding debt was

<b>General Obligation</b>	20.5%
<b>Water and Sewer</b>	16.1%
<b>Aviation</b>	16.0%
<b>Convention &amp; Entertainment</b>	27.1%

Respectfully submitted,

  
Annise D. Parker  
City Controller